



STATE OF RHODE ISLAND

**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

CONSULTANT TEAM

Small Business Program Design Update for 2019 Plan

Presented By: Optimal Energy / EERMC Consultant Team (C-Team)

Date: July 19, 2018

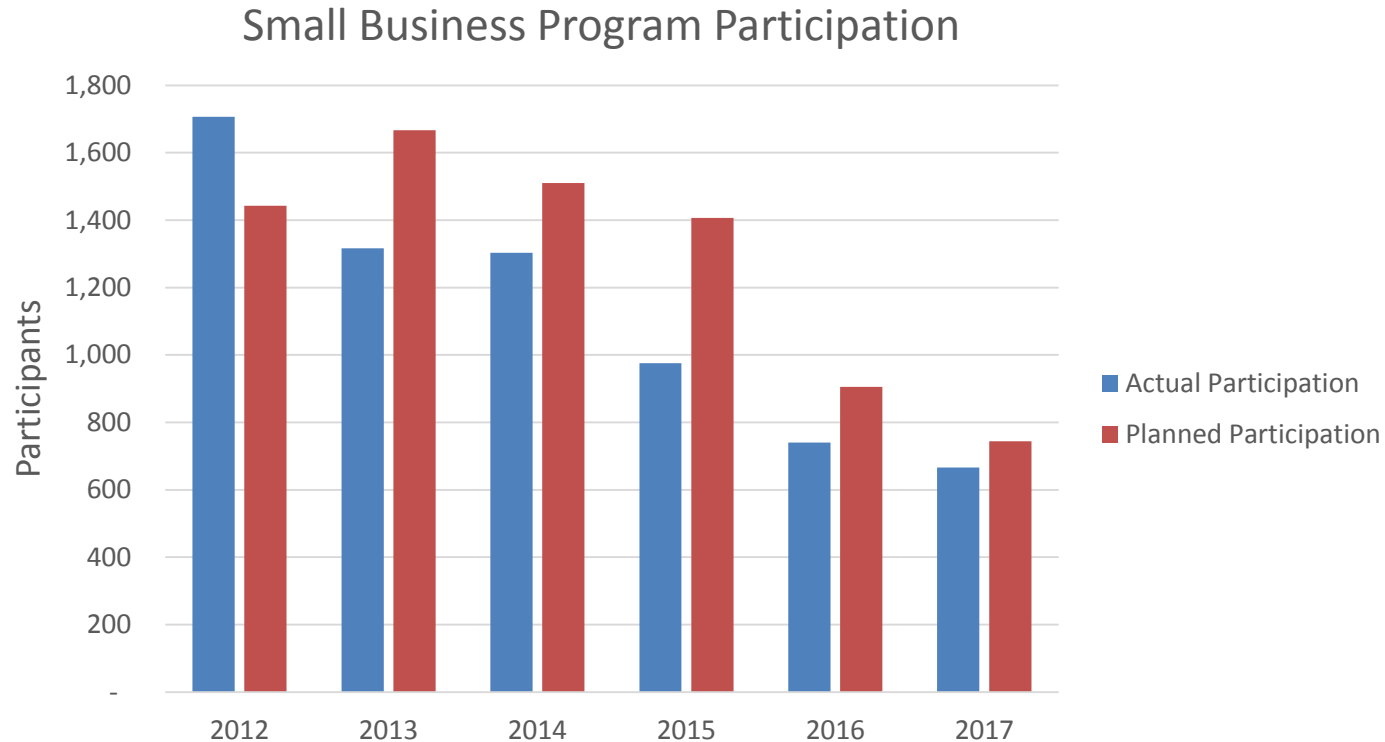


Topics for Discussion

- Enhancing Small Business program design
- Opportunities to expand the number of participants
- Opportunities to expand depth of savings per customer



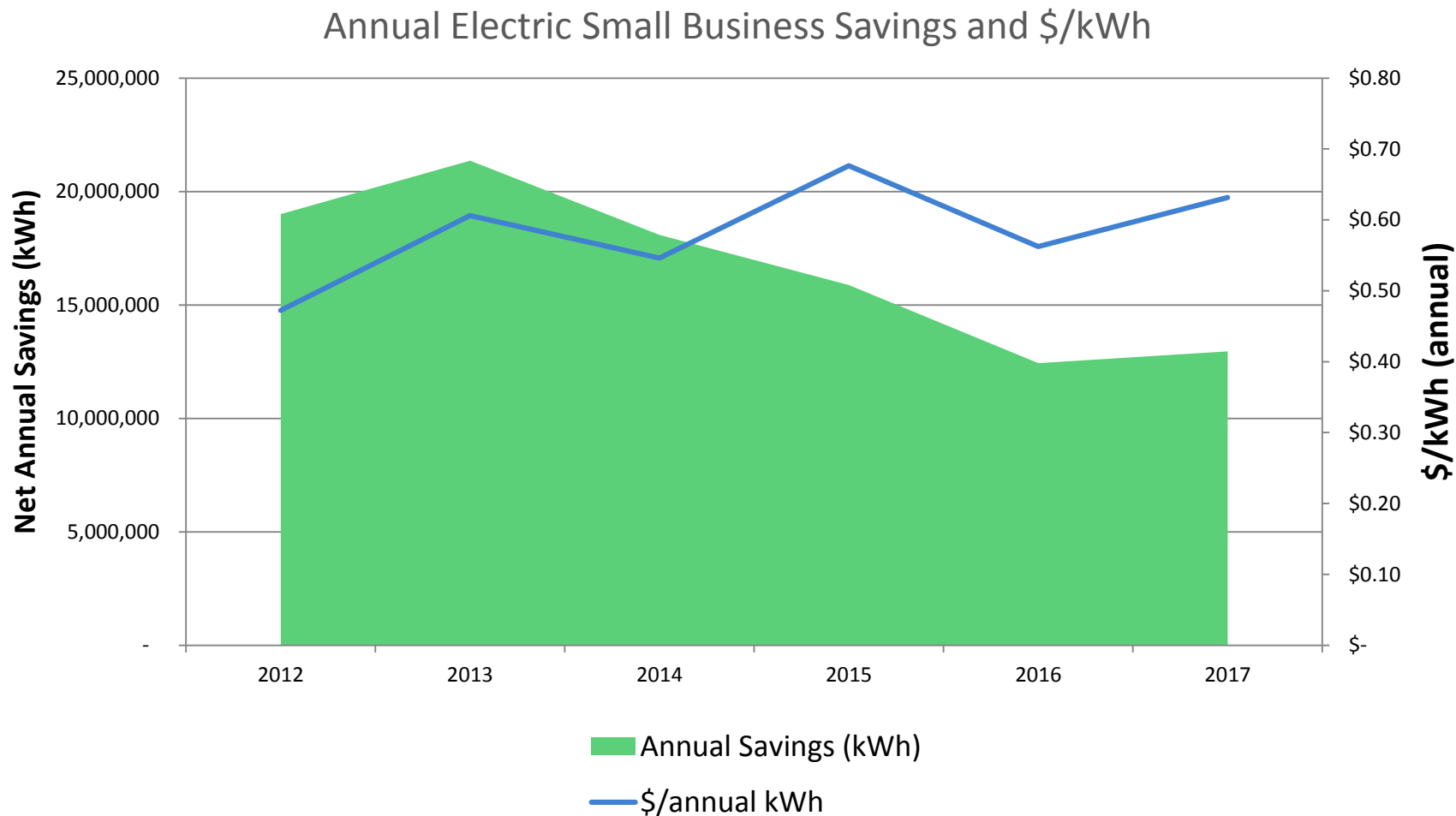
Participation in the Small Business Program



Note that small businesses participate in programs outside of the Small Business Direct Install Program especially the Upstream Program



Small Business Savings and Costs





Current Eligibility Criteria

Customers are eligible to participate in the Small Business Direct Install Program if they have an average monthly demand of **<200 kW**

There is no eligibility criterion for gas consumption



How We Compare

State	Electric Eligibility Cap	Gas Eligibility Cap
Rhode Island	200 kW	No eligibility criterion
New York	110 kW	N/A
Massachusetts	1,000,000-1,500,000 kWh	40,000 therms
California	100-500 kW	N/A
New Hampshire	200 kW	40,000 therms
Connecticut	200 kW	No eligibility criterion
Colorado	100-400 kW	N/A
Michigan	400,000 kWh	62,000 therms
Maryland	60 kW	N/A



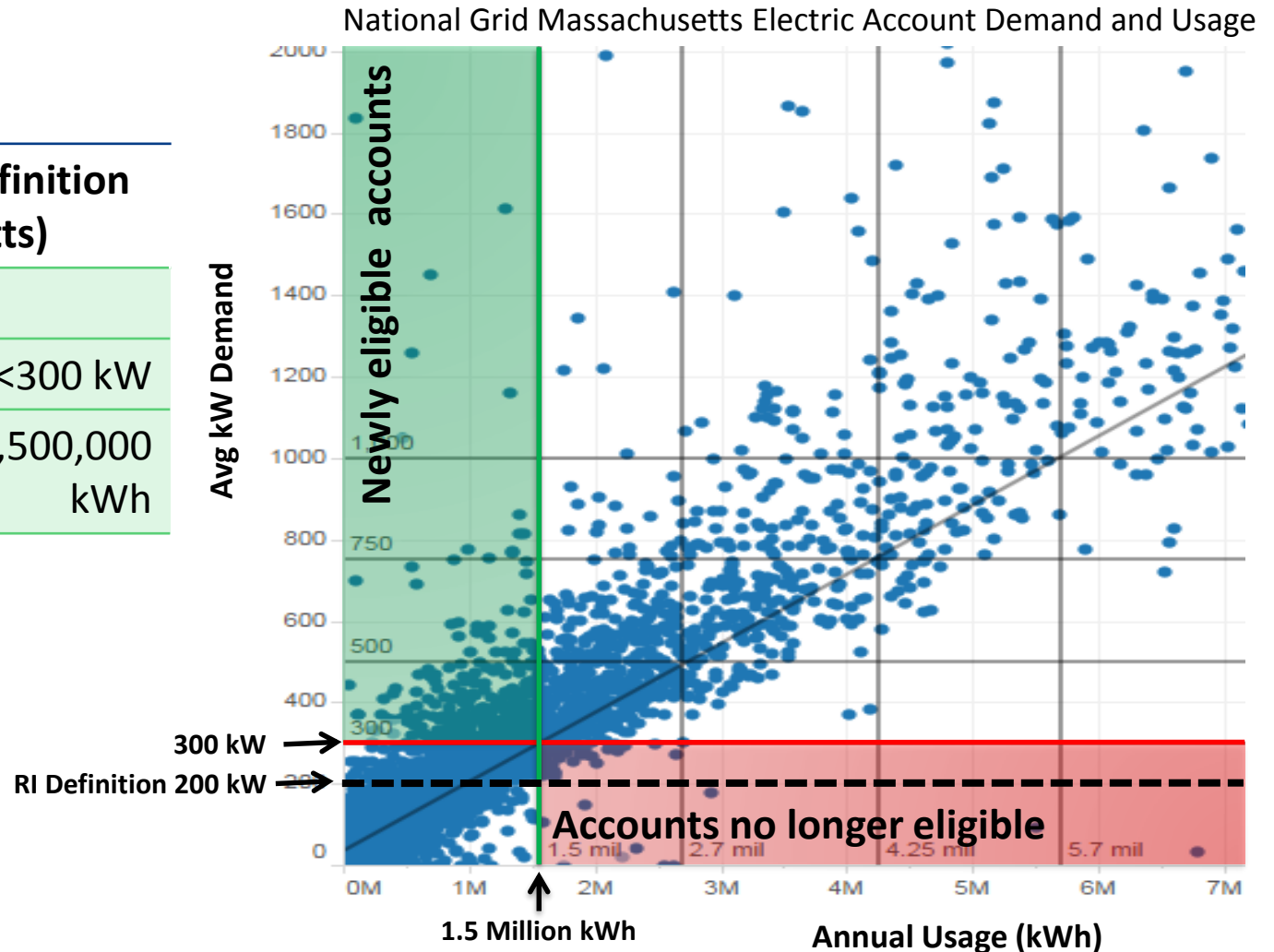
Small Business Eligibility Criteria in Massachusetts

Small Business Definition (Massachusetts)

Electric

Pre 2016 <300 kW

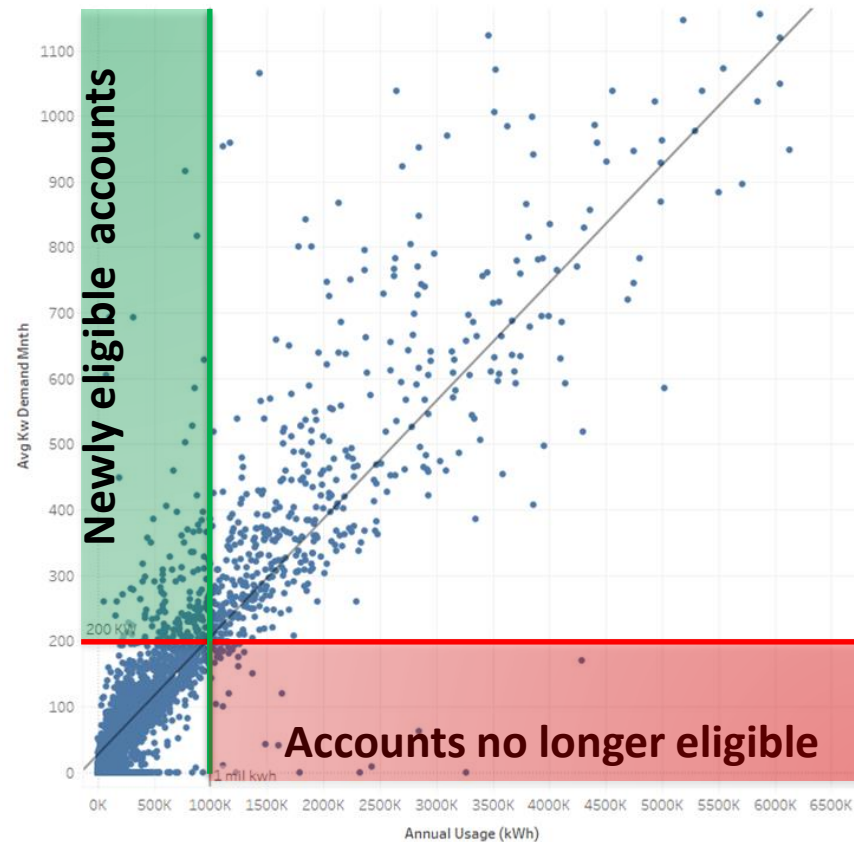
Current <1,500,000 kWh





Energy Compared to Demand for C&I Customers in RI

RI Customers - KW vs kWh





Considerations before Redefining Small Business

+ Pros

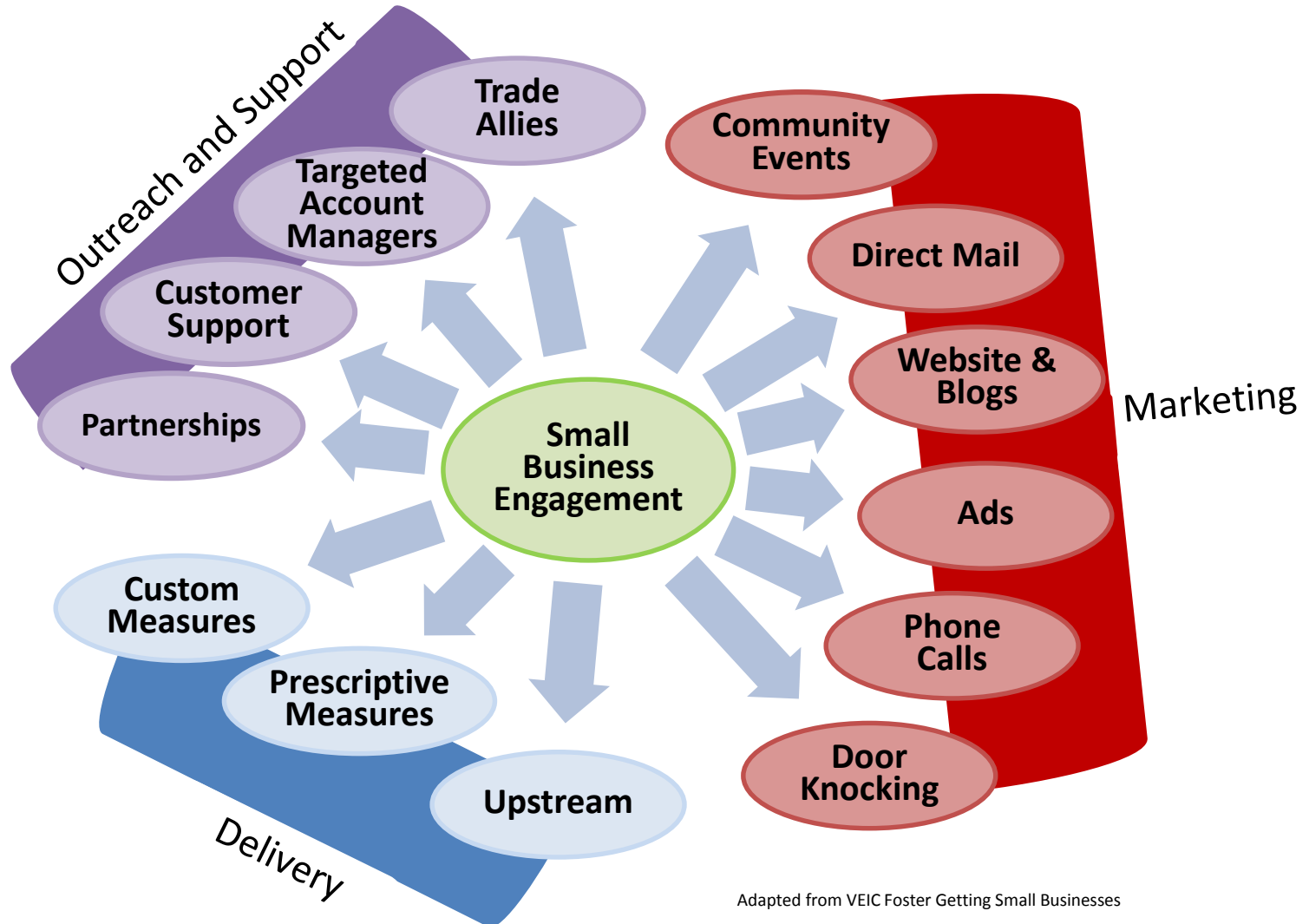
- More customers eligible to participate
- Improved program access to hard to reach mid-sized businesses
- Customer awareness of eligibility
 - Most small businesses do not have demand meters

— Cons

- Smaller businesses may lose out
 - Vendors tend to focus on the largest eligible customers to drive the most savings



Effective Small Business Engagement



Adapted from VEIC Foster Getting Small Businesses

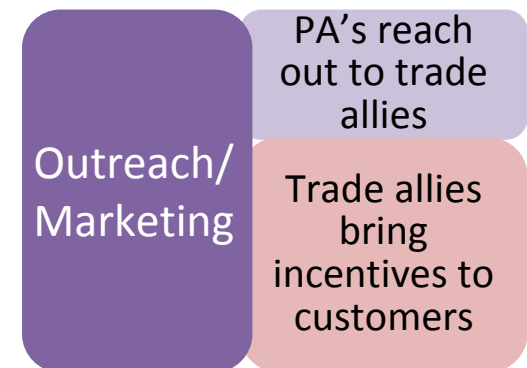


Opportunities to Increase Small Business Participation

- Main street delivery
 - Targeted delivery to high density small business areas
 - Participation rates over 90% in cities in Massachusetts and Washington
 - “On-the-ground, door-to-door canvassing is the single most useful tactic to gain participation” -California 2013-2015 Commercial Direct Install Process Evaluation-Phase 1 Report



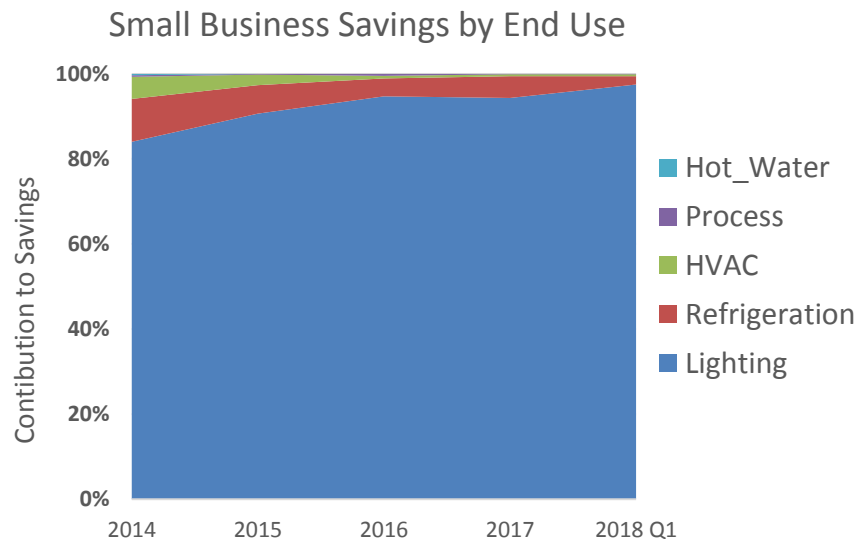
- Customer directed option (CDO)
 - Expand outreach through trade allies (non-participating vendors)
 - Recognize limitations, effective for lighting only





Opportunities to Increase Program Comprehensiveness

Through Expanding Non-Lighting Measures



- Lighting in 2017 was 94% of Small Business Savings
- Opportunity with other end uses, e.g. HVAC

Through Targeting Specific Business Segments with Bundles

- Measure Bundles improve comprehensiveness
- Also increase opportunity for custom measures

Sample Segment Specific Measures

	Food Service	Food Sales	Office	Retail
Bundle	Food services, filament LEDs, hot water	Cooler night covers, recycling, controls, novelty cooler shut off, custom	Lighting fixtures, controls, t-stats, CRT monitor recycling, smart strips, EMS	Lighting fixtures, controls, t-stats, EMS



Summary

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- Redefining small businesses using energy would improve ability of customers to self identify
 - Smallest businesses are a hard to reach yet important part of the C&I sector
 - Opportunities exist to improve program participation and comprehensiveness
 - Improving small business access to energy efficiency programs is a high priority in program 2019 planning